

Moran Supports U.S. Small Oil and Gas Producers

Requests House Committee Reject President's Proposed Tax Increase on Energy Producers

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WASHINGTON, D.C. - Congressman Jerry Moran led a coalition of Congressional members, which included Kansas Congresswoman Lynn Jenkins, today in requesting that the House Ways and Means Committee reject tax increases on small oil and gas producers recently proposed by President Obama. The tax increases, which total approximately \$26 billion, were detailed in the President's Fiscal Year 2010 Budget.

"The President's proposed tax increases would not only drive small energy producers out of business, it would also leave thousands of employees out of work and will cut off investment in companies that are developing America's energy resources," Moran said. "Many of the taxes the President proposes to increase will not affect large integrated oil companies, but will fall on the many small, independent oil and gas producers here in Kansas. My colleagues and I disapprove of the President's proposed tax increase and want to reinforce upon the leaders of the House Ways and Means Committee the detrimental effect such a proposal would have."

"Whether it's taxing all Americans through a national energy tax or increasing taxes on small oil and gas producers, at a time when American's are struggling, this proposal is simply one more example of the Administration's intentions to increase job killing taxes on small businesses and working families," Jenkins said. "From oil and gas to access to wind, solar, nuclear and biofuels, we have it all right here in Kansas. I urge my colleagues to support

an 'all of the above' approach to our energy problem."

Moran's letter urged the Democratic and Republican leaders of the Ways and Means Committee to reject the President's tax proposals should the Committee consider future energy-related tax policies. The letter outlines that the Administration's tax proposal will result in increased tax liability on small U.S. companies, lost American jobs, increased reliance on foreign oil and gas, and higher fuel costs for consumers.

"It is necessary that we work to develop a comprehensive energy plan to reduce our dependence on foreign oil," Moran said. "The President's proposed policies will only increase the amount of foreign oil imported by the U.S. and will cripple domestic production. Placing a tax on our energy producers here at home would drive us farther from our common goal to reduce our country's dependence and reliance on foreign oil."

Small energy producers generate 68 percent of American oil, 82 percent of American natural gas, and drill over 90 percent of American wells.

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